



General Assembly

January Session, 2007

**Bill No. 7434**

LCO No. 9364

\*09364\_\_\_\_\_\*

Referred to Committee on No Committee

Introduced by:

REP. AMANN, 118<sup>th</sup> Dist.

SEN. WILLIAMS, 29<sup>th</sup> Dist.

**AN ACT CONCERNING ECONOMIC DEVELOPMENT AND JOB CREATION.**

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Subsection (a) of section 4-168 of the general statutes is  
2 repealed and the following is substituted in lieu thereof (*Effective*  
3 *October 1, 2007*):

4 (a) Except as provided in subsection (g) of this section, an agency,  
5 prior to adopting a proposed regulation, shall: (1) Give at least thirty  
6 days' notice by publication in the Connecticut Law Journal of its  
7 intended action. The notice shall include (A) either a statement of the  
8 terms or of the substance of the proposed regulation or a description  
9 sufficiently detailed so as to apprise persons likely to be affected of the  
10 issues and subjects involved in the proposed regulation, (B) a  
11 statement of the purposes for which the regulation is proposed, (C) a  
12 reference to the statutory authority for the proposed regulation, (D)  
13 when, where and how interested persons may obtain a copy of the  
14 economic impact and regulatory flexibility analyses required pursuant

15 to section 4-168a, as amended by this act, and [(D)] (E) when, where  
 16 and how interested persons may present their views on the proposed  
 17 regulation; (2) give notice by mail to each joint standing committee of  
 18 the General Assembly having cognizance of the subject matter of the  
 19 proposed regulation; (3) give notice by mail to all persons who have  
 20 made requests to the agency for advance notice of its regulation-  
 21 making proceedings. The agency may charge a reasonable fee for such  
 22 notice based on the estimated cost of providing the service; (4) provide  
 23 a copy of the proposed regulation and the economic impact and  
 24 regulatory flexibility analyses required pursuant to section 4-168a, as  
 25 amended by this act, to persons requesting it. The agency may charge a  
 26 reasonable fee for copies in accordance with the provisions of section  
 27 1-212; (5) following publication of the notice in the Connecticut Law  
 28 Journal, prepare a fiscal note, including (A) an estimate of the cost or of  
 29 the revenue impact on the state or any municipality of the state, and  
 30 (B) the economic impact analysis and, if applicable, the regulatory  
 31 flexibility analysis prepared under section 4-168a, as amended by this  
 32 act. The governing body of any municipality, if requested, shall  
 33 provide the agency, within twenty working days, with any  
 34 information that may be necessary for analysis in preparation of such  
 35 fiscal note; (6) afford all interested persons reasonable opportunity to  
 36 submit data, views or arguments, orally at a hearing granted under  
 37 subdivision (7) of this subsection or in writing, and to inspect and copy  
 38 the fiscal note prepared pursuant to subdivision (5) of this subsection;  
 39 (7) grant an opportunity to present oral argument if requested by  
 40 fifteen persons, by a governmental subdivision or agency or by an  
 41 association having not less than fifteen members, if notice of the  
 42 request is received by the agency within fourteen days after the date of  
 43 publication of the notice; and (8) consider fully all written and oral  
 44 submissions respecting the proposed regulation and revise the fiscal  
 45 note in accordance with the provisions of subdivision (5) of this  
 46 subsection to indicate any changes made in the proposed regulation.  
 47 No regulation shall be found invalid due to the failure of an agency to  
 48 give notice to each committee of cognizance pursuant to subdivision

49 (2) of this subsection, provided one such committee has been so  
50 notified.

51 Sec. 2. Section 4-168a of the general statutes is repealed and the  
52 following is substituted in lieu thereof (*Effective October 1, 2007*):

53 (a) As used in this section:

54 (1) "Agency", "proposed regulation" and "regulation" shall have the  
55 same meanings as provided in section 4-166; and

56 (2) "Small business" means a business entity, including its affiliates,  
57 that (A) is independently owned and operated and (B) employs fewer  
58 than fifty full-time employees or has gross annual sales of less than  
59 five million dollars, provided that an agency, in adopting regulations  
60 in accordance with the provisions of this chapter, may define "small  
61 business" to include a greater number of full-time employees, not to  
62 exceed applicable federal standards or five hundred, whichever is less,  
63 if necessary to meet the needs and address specific problems of small  
64 businesses.

65 (b) (1) Prior to the adoption of any proposed regulation on and after  
66 October 1, 2007, each agency shall prepare an economic impact  
67 analysis that identifies the impact the regulatory action may have on  
68 small businesses, including an estimate of the number of small  
69 businesses subject to the proposed regulation, the projected costs,  
70 including reporting, recordkeeping and administration, and other  
71 costs required for compliance with the proposed regulation.

72 (2) Prior to the adoption of any proposed regulation, [on and after  
73 October 1, 1994,] each agency shall prepare a regulatory flexibility  
74 analysis in which the agency shall, where consistent with public  
75 health, safety and welfare, consider utilizing regulatory methods that  
76 will accomplish the objectives of applicable statutes while minimizing  
77 adverse impact on small businesses. The agency shall consider,  
78 without limitation, each of the following methods of reducing the

79 impact of the proposed regulation on small businesses:

80 [(1)] (A) The establishment of less stringent compliance or reporting  
81 requirements for small businesses;

82 [(2)] (B) The establishment of less stringent schedules or deadlines  
83 for compliance or reporting requirements for small businesses;

84 [(3)] (C) The consolidation or simplification of compliance or  
85 reporting requirements for small businesses;

86 [(4)] (D) The establishment of performance standards for small  
87 businesses to replace design or operational standards required in the  
88 proposed regulation; and

89 [(5)] (E) The exemption of small businesses from all or any part of  
90 the requirements contained in the proposed regulation.

91 (c) Prior to the adoption of any proposed regulation that may have  
92 an adverse impact on small businesses, each agency shall notify the  
93 Department of Economic and Community Development and the Office  
94 of the Business Advocate of its intent to adopt the proposed regulation.  
95 [The Department of Economic and Community Development] Said  
96 department and office shall advise and assist agencies in complying  
97 with the provisions of this section.

98 (d) The requirements contained in this section shall not apply to  
99 emergency regulations issued pursuant to subsection (c) of section 4-  
100 168; regulations that do not affect small businesses directly, including,  
101 but not limited to, regulations concerning the administration of federal  
102 programs; regulations concerning costs and standards for service  
103 businesses such as nursing homes, long-term care facilities, medical  
104 care providers, day care facilities, water companies, nonprofit 501(c)(3)  
105 agencies, group homes and residential care facilities; and regulations  
106 adopted to implement the provisions of sections 4a-60g to 4a-60i,  
107 inclusive.

108       Sec. 3. Section 4-168b of the general statutes is repealed and the  
109       following is substituted in lieu thereof (*Effective October 1, 2007*):

110       (a) Each agency shall maintain an official regulation-making record  
111       for the period required by law for each regulation it proposes in  
112       accordance with the provisions of section 4-168, as amended by this  
113       act. The regulation-making record and materials incorporated by  
114       reference in the record shall be available for public inspection and  
115       copying.

116       (b) The agency regulation-making record shall contain: (1) Copies of  
117       all publications in the Connecticut Law Journal with respect to the  
118       regulation or the proceeding upon which the regulation is based; (2) a  
119       copy of any written analysis prepared for the proceeding upon which  
120       the regulation is based, including the economic impact and regulatory  
121       flexibility analyses required pursuant to section 4-168a, as amended by  
122       this act; (3) all written petitions, requests, submissions, and comments  
123       received by the agency and considered by the agency in connection  
124       with the formulation, proposal or adoption of the regulation or the  
125       proceeding upon which the regulation is based; (4) the official  
126       transcript, if any, of proceedings upon which the regulation is based  
127       or, if not transcribed, any tape recording or stenographic record of  
128       such proceedings, and any memoranda prepared by any member or  
129       employee of the agency summarizing the contents of the proceedings;  
130       (5) a copy of all official documents relating to the regulation, including  
131       the regulation filed in the office of the Secretary of the State, a  
132       statement of the principal considerations in opposition to the agency's  
133       action, and the agency's reasons for rejecting such considerations, as  
134       required pursuant to section 4-168, as amended by this act, and the  
135       fiscal note prepared pursuant to subsection (a) of said section 4-168  
136       and section 4-170, as amended by this act; (6) a copy of any petition for  
137       the regulation filed pursuant to section 4-174; and (7) copies of all  
138       comments or communications between the agency and the legislative  
139       regulation review committee.

140 (c) The agency regulation-making record need not constitute the  
141 exclusive basis for agency action on that regulation or for judicial  
142 review thereof.

143 Sec. 4. Subsection (b) of section 4-170 of the general statutes is  
144 repealed and the following is substituted in lieu thereof (*Effective*  
145 *October 1, 2007*):

146 (b) (1) No adoption, amendment or repeal of any regulation, except  
147 a regulation issued pursuant to subsection (f) of section 4-168, shall be  
148 effective until (A) the original of the proposed regulation approved by  
149 the Attorney General, as provided in section 4-169, the economic  
150 impact and regulatory flexibility analyses as provided in section 4-  
151 168a, as amended by this act, and eighteen copies thereof are  
152 submitted to the standing legislative regulation review committee at  
153 the designated office of the committee, in a manner designated by the  
154 committee, by the agency proposing the regulation, (B) the regulation  
155 is approved by the committee, at a regular meeting or a special  
156 meeting called for the purpose, and (C) the regulation is filed in the  
157 office of the Secretary of the State by the agency, as provided in section  
158 4-172. (2) The date of submission for purposes of subsection (c) of this  
159 section shall be the first Tuesday of each month. Any regulation  
160 received by the committee on or before the first Tuesday of a month  
161 shall be deemed to have been submitted on the first Tuesday of that  
162 month. Any regulation submitted after the first Tuesday of a month  
163 shall be deemed to be submitted on the first Tuesday of the next  
164 succeeding month. (3) The form of proposed regulations which are  
165 submitted to the committee shall be as follows: New language added  
166 to an existing regulation shall be in capital letters or underlining, as  
167 determined by the committee; language to be deleted shall be enclosed  
168 in brackets and a new regulation or new section of a regulation shall be  
169 preceded by the word "(NEW)" in capital letters. Each proposed  
170 regulation shall have a statement of its purpose following the final  
171 section of the regulation. (4) The committee may permit any proposed  
172 regulation, including, but not limited to, a proposed regulation which

173 by reference incorporates in whole or in part, any other code, rule,  
174 regulation, standard or specification, to be submitted in summary form  
175 together with a statement of purpose for the proposed regulation. On  
176 and after October 1, 1994, if the committee finds that a federal statute  
177 requires, as a condition of the state exercising regulatory authority,  
178 that a Connecticut regulation at all times must be identical to a federal  
179 statute or regulation, then the committee may approve a Connecticut  
180 regulation that by reference specifically incorporates future  
181 amendments to such federal statute or regulation provided the agency  
182 that proposed the Connecticut regulation shall submit for approval  
183 amendments to such Connecticut regulations to the committee not  
184 later than thirty days after the effective date of such amendment, and  
185 provided further the committee may hold a public hearing on such  
186 Connecticut amendments. (5) The agency shall prepare a fiscal note,  
187 including an estimate of the cost or of the revenue impact on the state  
188 and any municipality, and shall append a copy of the note to each  
189 copy of the proposed regulation. At the time of submission to the  
190 committee, the agency shall mail or submit a copy of the proposed  
191 regulation and the fiscal note, prepared in accordance with subsection  
192 (a) of section 4-168, as amended by this act, to (A) the Office of Fiscal  
193 Analysis which, within seven days of receipt, shall submit an analysis  
194 of the fiscal note to the committee; and (B) each joint standing  
195 committee of the General Assembly having cognizance of the subject  
196 matter of the proposed regulation. No regulation shall be found  
197 invalid due to the failure of an agency to submit a copy of the  
198 proposed regulation and the fiscal note to each committee of  
199 cognizance, provided such regulation and fiscal note has been  
200 submitted to one such committee.

201 Sec. 5. Section 32-725 of the general statutes is repealed and the  
202 following is substituted in lieu thereof (*Effective from passage*):

203 (a) There is established an Office of the Business Advocate. The  
204 Governor, with the approval of the General Assembly, shall appoint a  
205 person with knowledge of the characteristics and needs of businesses

206 and the resources provided by state, federal, quasi-governmental and  
207 other organizations that are available to businesses. Such person shall  
208 be qualified by training and experience to perform the duties of the  
209 office as set forth in this section. The person appointed the Business  
210 Advocate shall serve for a term of four years and may be reappointed  
211 or shall continue to hold office until such person's successor is  
212 appointed and qualified, or until removed as provided in section 16-5.

213 (b) The Office of the Business Advocate shall be in the [Office of  
214 Policy and Management] Department of Economic and Community  
215 Development for administrative purposes only.

216 (c) The Business Advocate may, within available funds, appoint  
217 such staff as may be deemed necessary. The duties of the staff may  
218 include the duties and powers of the Business Advocate if performed  
219 under the direction of the Business Advocate.

220 (d) The General Assembly may annually appropriate such sums as  
221 necessary for the payment of the salaries of the staff and for the  
222 payment of office expenses and other actual expenses incurred by the  
223 Business Advocate in the performance of [such] said advocate's duties.

224 (e) [The] On or before January 1, 2008, and annually thereafter, the  
225 Business Advocate shall [annually] submit to the Governor and the  
226 chairpersons of the joint standing committees of the General Assembly  
227 having cognizance of matters relating to commerce and finance,  
228 revenue and bonding, in accordance with the provisions of section 11-  
229 4a, a detailed report analyzing the work of the Office of the Business  
230 Advocate, including a list of businesses and the services provided to  
231 them by such office.

232 (f) The Business Advocate shall (1) serve as an information  
233 clearinghouse for various public and private programs available to  
234 assist businesses, and (2) identify specific micro businesses, as defined  
235 in section 32-344, whose growth and success could benefit from state  
236 or private assistance and contact such small businesses in order to (A)



237 identify their needs, (B) provide information about public and private  
238 programs for meeting such needs, including, but not limited to,  
239 technical assistance, job training and financial assistance, and (C)  
240 arrange for the provision of such assistance to such businesses.

241 Sec. 6. Section 32-345 of the general statutes is repealed and the  
242 following is substituted in lieu thereof (*Effective from passage*):

243 (a) The [corporation shall] Department of Economic and  
244 Community Development may establish a Connecticut development  
245 research and economic assistance matching grant program, within  
246 available appropriations and, for the purposes of providing financial  
247 aid, as defined in subdivision (4) of section 32-34, to assist: (1)  
248 Connecticut small businesses in conducting marketing-related  
249 activities to facilitate commercialization of research projects funded  
250 under the small business innovation research program or the small  
251 business technology transfer program; (2) business-led consortia or  
252 Connecticut businesses in connection with their participation in a  
253 federal technology support program; and (3) micro businesses, in  
254 conducting development and research. The department may enter into  
255 an agreement, pursuant to chapter 55a, with a person, firm,  
256 corporation or other entity to operate such program.

257 (b) Applications shall be submitted [to the corporation at such times  
258 and on such forms as the corporation may prescribe] in the manner  
259 prescribed by the department. Each such application shall include the  
260 following: (1) The location of the principal place of business of the  
261 applicant; (2) an explanation of the intended use of the funding being  
262 applied for, the potential market for the end product of the project and  
263 the marketing strategy; and (3) such other information that the  
264 [corporation] department deems necessary. Information contained in  
265 any such application submitted to the [corporation] department under  
266 this section which is of a proprietary nature shall be exempt from the  
267 provisions of subsection (a) of section 1-210.

268 (c) In determining whether an applicant shall be selected for

269 funding pursuant to this section, the [corporation] department, or the  
270 operator, if any, selected pursuant to subsection (a) of this section,  
271 shall consider, but such consideration need not be limited to, the  
272 following factors: (1) The description of the small business innovation  
273 research project, the small business technology transfer project or the  
274 federally-supported technology project and the potential commercial  
275 applicability of such project; (2) evidence of satisfactory participation  
276 in the applicable small business innovation research program, the  
277 small business technology transfer program or the federal technology  
278 support program; (3) the potential impact of such research project on  
279 the workforce in the region where such small business is located; (4)  
280 the size of the potential market, strength of the marketing strategy, and  
281 ability of the applicant to execute the strategy and successfully  
282 commercialize the end product; and (5) the resources and record of  
283 success of the company relative to development and  
284 commercialization. Within the availability of funds, the [corporation]  
285 department may provide financial aid to eligible applicants provided  
286 no business may receive more than fifty thousand dollars for any  
287 single small business innovation research project or small business  
288 technology transfer project. The [corporation] department may require  
289 a business to repay such assistance or pay a multiple of the assistance  
290 to the corporation. All such repayments and payments shall be  
291 deposited in the Connecticut technology partnership assistance  
292 program revolving account established under section 32-346 as  
293 amended by this act.

294 (d) The [corporation shall] department may establish a  
295 development, research and economic assistance matching financial aid  
296 program for micro businesses that have received federal funds for  
297 Phase II proposals under the small business innovation research  
298 program and the small business technology transfer program. Any  
299 micro business receiving financial aid under this subsection shall use  
300 such financial aid for the same purpose such micro business was  
301 awarded said federal funds. The department may enter into an  
302 agreement, pursuant to chapter 55a, with a person, firm, corporation or

303 other entity to operate such a program.

304 (e) [The corporation shall adopt written procedures, in accordance  
305 with the provisions of section 1-121 to carry out the provisions of this  
306 section.] On or before January 15, 2008, and annually thereafter, the  
307 Commissioner of Economic and Community Development shall, in  
308 consultation with the program operator, if any, submit a report on the  
309 status of the development research and economic assistance matching  
310 grant program to the chairpersons of the joint standing committee of  
311 the General Assembly having cognizance of matters relating to the  
312 Department of Economic and Community Development. Such report  
313 shall include, but need not be limited to, a description of the projects  
314 supported and the type of financial aid provided.

315 Sec. 7. Section 32-346 of the general statutes is repealed and the  
316 following is substituted in lieu thereof (*Effective from passage*):

317 The corporation shall establish a "Connecticut technology  
318 partnership assistance program revolving account". Any and all  
319 references in any general statutes, procedure or legal document to the  
320 "phase III assistance program revolving account" shall, on and after  
321 July 1, 1995, be deemed to refer to the "Connecticut technology  
322 partnership assistance program revolving account". The account shall  
323 be used for the purpose of providing [financial assistance under  
324 section 32-345 and] financial aid under section 32-41u.

325 Sec. 8. Section 32-356 of the general statutes is repealed and the  
326 following is substituted in lieu thereof (*Effective from passage*):

327 (a) For purposes of this section, "incubator facilities" shall have the  
328 same meaning as incubator facilities in section 32-34.

329 (b) The Commissioner of Economic and Community Development  
330 shall establish the small business incubator program to provide grants  
331 to entities operating incubator facilities, as defined in section 32-34.  
332 [Such grants] The Department of Economic and Community

333 Development may enter into an agreement, pursuant to chapter 55a,  
334 with a person, firm, corporation or other entity to operate such  
335 program. The department, or a program operator selected pursuant to  
336 this subsection, shall, subject to the availability of funds, operate a  
337 technology-based small business incubator program. In accordance  
338 with the written guidelines developed by such department, the  
339 department or program operator, if any, may provide grants to assist  
340 small businesses operating within incubator facilities. Grants made  
341 pursuant to this section shall be used by such entities to provide  
342 operating funds and related services, including business plan  
343 preparation, assistance in acquiring financing and management  
344 counseling.

345 (c) An entity shall submit an application for a grant pursuant to this  
346 section [to the commissioner, at such time and in such manner as the  
347 commissioner shall prescribe in regulations adopted pursuant to  
348 subsection (d) of this section] in the manner prescribed by the  
349 Commissioner of Economic and Community Development.

350 [(d) The commissioner shall adopt regulations, in accordance with  
351 the provisions of chapter 54, to implement the small business incubator  
352 program established pursuant to this section. Such regulations shall  
353 include (1) a description of entities eligible for grants under such  
354 program, (2) a description of allowable expenditures for such grants,  
355 (3) definitions of small businesses eligible for support pursuant to such  
356 program, (4) directions regarding the form and content of the  
357 application to be submitted by entities seeking grants, (5) schedules for  
358 the awarding of grants, (6) standards indicating the bases upon which  
359 grants shall be awarded, including (A) priorities, if any, for small  
360 business incubator programs that provide certain support services, (B)  
361 criteria relating to the background, experience and services offered by  
362 the entity seeking a grant, and (C) any limitations on the amount of  
363 grant any one entity may receive in one funding cycle, and (7) such  
364 other provisions that the commissioner may find necessary for the  
365 implementation of such program.]

366 [(e)] (d) There is established an account to be known as the small  
 367 business incubator account, which shall be a separate, nonlapsing  
 368 account within the General Fund. [The account shall contain all  
 369 moneys required by law to be deposited in the account and shall be  
 370 held separate and apart from all other money, funds and accounts.  
 371 Investment earnings from any moneys in the account shall be credited  
 372 to the account and shall become part of the assets of the account. Any  
 373 balance remaining in the account at the end of any fiscal year shall not  
 374 lapse and shall be available for use for the fiscal year next succeeding.]  
 375 The commissioner may use funds from the account to provide  
 376 administrative expenses and grants pursuant to this section.

377 (e) (1) There is established a Small Business Incubator Advisory  
 378 Board. Said board shall consist of: (A) The Commissioner of Economic  
 379 and Community Development; (B) the president of the Connecticut  
 380 Development Authority, and the executive director of Connecticut  
 381 Innovations, Incorporated, as ex officio non-voting members, or their  
 382 designees; (C) one member to be appointed by the Governor; (D) two  
 383 members with experience in the field of technology transfer and  
 384 commercialization, to be appointed by the speaker of the House of  
 385 Representatives; (E) two members with experience in new product and  
 386 market development, to be appointed by the president pro tempore of  
 387 the Senate; (F) one member to be appointed by the majority leader of  
 388 the Senate; (G) one member to be appointed by the majority leader of  
 389 the House of Representatives; (H) one member with experience in seed  
 390 and early stage capital investment, to be appointed by the minority  
 391 leader of the House of Representatives; and (I) one member with  
 392 experience in seed and early stage capital investment, to be appointed  
 393 by the minority leader of the Senate. All appointments to said board  
 394 shall be made not later than September 1, 2007.

395 (2) The Commissioner of Economic and Community Development  
 396 shall schedule the first meeting of said board not later than October 15,  
 397 2007. Thereafter, the board shall meet at least once annually to evaluate  
 398 and recommend changes to the guidelines adopted pursuant to this

399 section.

400 Sec. 9. Section 32-47a of the general statutes is repealed and the  
401 following is substituted in lieu thereof (*Effective from passage*):

402 Not later than January first in each year, Connecticut Innovations,  
403 Incorporated shall submit a business plan containing a summary of its  
404 projected operations for the year to the joint standing committees of  
405 the General Assembly having cognizance of matters relating to the  
406 Department of Economic and Community Development,  
407 appropriations and capital bonding. Not later than November first,  
408 annually, the corporation shall submit a report to the Commissioner of  
409 Economic and Community Development, the Auditors of Public  
410 Accounts and said joint standing committees, which shall include the  
411 following information with respect to new and outstanding financial  
412 assistance provided by the corporation during the twelve-month  
413 period ending on June thirtieth next preceding the date of the report  
414 for each financial assistance program administered by the corporation:  
415 (1) A list of the names, addresses and locations of all recipients of such  
416 assistance, (2) for each such recipient: (A) The business activities, (B)  
417 the Standard Industrial Classification Manual codes, (C) the gross  
418 revenues during the recipient's most recent fiscal year, except that if  
419 the recipient is an organization that does not make such information  
420 public in the normal course of business, the gross revenue information  
421 will be provided for such organization separately, using a system in  
422 which no organization is listed by name but each is given a separate  
423 identity in a manner consistent with the provisions of subsection (c) of  
424 section 32-40, (D) the number of employees at the time of application,  
425 (E) whether the recipient is a minority or woman-owned business, (F) a  
426 summary of the terms and conditions for the assistance, including the  
427 type and amount of state financial assistance, job creation or retention  
428 requirements, and anticipated wage rates, and (G) the amount of  
429 investments from private and other nonstate sources that have been  
430 leveraged by the assistance, (3) the economic benefit criteria used in  
431 determining which applications have been approved or disapproved,

432 and (4) for each recipient of assistance on or after July 1, 1991, a  
 433 comparison between the number of jobs to be created, the number of  
 434 jobs to be retained and the average wage rates for each such category  
 435 of jobs, as projected in the recipient's application, versus the actual  
 436 number of jobs created, the actual number of jobs retained and the  
 437 average wage rates for each such category. The report shall also  
 438 indicate the actual number of full-time jobs and the actual number of  
 439 part-time jobs in each such category and the benefit levels for each  
 440 such subcategory. The chairpersons of the joint standing committees of  
 441 the General Assembly having cognizance of matters relating to finance,  
 442 revenue and bonding and commerce, and the Governor may examine,  
 443 in confidence, the detailed data, including the specific revenue data for  
 444 each identifiable business, submitted pursuant to subdivisions (1) and  
 445 (2) of this section. The November first report shall include a summary  
 446 of the activities of the corporation, including all activities to assist  
 447 small businesses and minority business enterprises, as defined in  
 448 section 4a-60g, a complete operating and financial statement and  
 449 recommendations for legislation to promote the purposes of the  
 450 corporation. The corporation shall furnish such additional information  
 451 upon the written request of any such committee at such times as the  
 452 committee may request.

453 Sec. 10. Section 32-23zz of the general statutes is repealed and the  
 454 following is substituted in lieu thereof (*Effective October 1, 2007*):

455 (a) For the purpose of assisting (1) any information technology  
 456 project, as defined in subsection (ee) of section 32-23d, which is located  
 457 in an eligible municipality, as defined in subdivision (12) of subsection  
 458 (a) of section 32-9t, or (2) any remediation project, as defined in  
 459 subsection (ii) of section 32-23d, the Connecticut Development  
 460 Authority may, upon a resolution of the legislative body of a  
 461 municipality, issue and administer bonds which are payable solely or  
 462 in part from and secured by: (A) A pledge of and lien upon any and all  
 463 of the income, proceeds, revenues and property of such a project,  
 464 including the proceeds of grants, loans, advances or contributions from

465 the federal government, the state or any other source, including  
466 financial assistance furnished by the municipality or any other public  
467 body, (B) taxes or payments or grants in lieu of taxes allocated to and  
468 payable into a special fund of the Connecticut Development Authority  
469 pursuant to the provisions of subsection (b) of this section, or (C) any  
470 combination of the foregoing. Any such bonds of the Connecticut  
471 Development Authority shall mature at such time or times not  
472 exceeding thirty years from their date of issuance and shall be subject  
473 to the general terms and provisions of law applicable to the issuance of  
474 bonds by the Connecticut Development Authority, except that such  
475 bonds shall be issued without a special capital reserve fund as  
476 provided in subsection (b) of section 32-23j and, for purposes of section  
477 32-23f, only the approval of the board of directors of the authority shall  
478 be required for the issuance and sale of such bonds. Any pledge made  
479 by the municipality or the Connecticut Development Authority for  
480 bonds issued as provided in this section shall be valid and binding  
481 from the time when the pledge is made, and revenues and other  
482 receipts, funds or moneys so pledged and thereafter received by the  
483 municipality or the Connecticut Development Authority shall be  
484 subject to the lien of such pledge without any physical delivery thereof  
485 or further act. The lien of such pledge shall be valid and binding  
486 against all parties having claims of any kind in tort, contract or  
487 otherwise against the municipality or the Connecticut Development  
488 Authority, even if the parties have no notice of such lien. Recording of  
489 the resolution or any other instrument by which such a pledge is  
490 created shall not be required. In connection with any such assignment  
491 of taxes or payments in lieu of taxes, the Connecticut Development  
492 Authority may, if the resolution so provides, exercise the rights  
493 provided for in section 12-195h of an assignee for consideration of any  
494 lien filed to secure the payment of such taxes or payments in lieu of  
495 taxes. All expenses incurred in providing such assistance may be  
496 treated as project costs.

497 (b) Any proceedings authorizing the issuance of bonds under this  
498 section may contain a provision that taxes or a specified portion



499 thereof, if any, identified in such authorizing proceedings and levied  
500 upon taxable real or personal property, or both, in a project each year,  
501 or payments or grants in lieu of such taxes or a specified portion  
502 thereof, by or for the benefit of any one or more municipalities,  
503 districts or other public taxing agencies, as the case may be, shall be  
504 divided as follows: (1) In each fiscal year that portion of the taxes or  
505 payments or grants in lieu of taxes which would be produced by  
506 applying the then current tax rate of each of the taxing agencies to the  
507 total sum of the assessed value of the taxable property in the project on  
508 the date of such authorizing proceedings, adjusted in the case of grants  
509 in lieu of taxes to reflect the applicable statutory rate of  
510 reimbursement, shall be allocated to and when collected shall be paid  
511 into the funds of the respective taxing agencies in the same manner as  
512 taxes by or for said taxing agencies on all other property are paid; and  
513 (2) that portion of the assessed taxes or the payments or grants in lieu  
514 of taxes, or both, each fiscal year in excess of the amount referred to in  
515 subdivision (1) of this subsection shall be allocated to and when  
516 collected shall be paid into a special fund of the Connecticut  
517 Development Authority to be used in each fiscal year, in the discretion  
518 of the Connecticut Development Authority, to pay the principal of and  
519 interest due in such fiscal year on bonds issued by the Connecticut  
520 Development Authority to finance, refinance or otherwise assist such  
521 project, to purchase bonds issued for such project, or to reimburse the  
522 provider of or reimbursement party with respect to any guarantee,  
523 letter of credit, policy of bond insurance, funds deposited in a debt  
524 service reserve fund, funds deposited as capitalized interest or other  
525 credit enhancement device used to secure payment of debt service on  
526 any bonds issued by the Connecticut Development Authority to  
527 finance, refinance or otherwise assist such project, to the extent of any  
528 payments of debt service made therefrom. Unless and until the total  
529 assessed valuation of the taxable property in a project exceeds the total  
530 assessed value of the taxable property in such project as shown by the  
531 last assessment list referred to in subdivision (1) of this subsection, all  
532 of the taxes levied and collected and all of the payments or grants in

533 lieu of taxes due and collected upon the taxable property in such  
534 project shall be paid into the funds of the respective taxing agencies.  
535 When such bonds and interest thereof, and such debt service  
536 reimbursement to the provider of or reimbursement party with respect  
537 to such credit enhancement, have been paid in full, all moneys  
538 thereafter received from taxes or payments or grants in lieu of taxes  
539 upon the taxable property in such development project shall be paid  
540 into the funds of the respective taxing agencies in the same manner as  
541 taxes on all other property are paid. The total amount of bonds issued  
542 pursuant to this section which are payable from grants in lieu of taxes  
543 payable by the state shall not exceed an amount of bonds, the debt  
544 service on which in any state fiscal year is, in total, equal to one million  
545 dollars.

546 (c) The authority may make grants or provide loans or other forms  
547 of financial assistance from the proceeds of special or general  
548 obligation notes or bonds of the authority issued without the security  
549 of a special capital reserve fund within the meaning of subsection (b)  
550 of section 32-23j, which bonds are payable from and secured by, in  
551 whole or in part, the pledge and security provided for in section 8-134,  
552 8-192, 32-227 or this section, all on such terms and conditions,  
553 including such agreements with the municipality and the developer of  
554 the project, as the authority determines to be appropriate in the  
555 circumstances, provided any such project in an area designated as an  
556 enterprise zone pursuant to section 32-70 receiving such financial  
557 assistance shall be ineligible for any fixed assessment pursuant to  
558 section 32-71, and the authority, as a condition of such grant, loan or  
559 other financial assistance, may require the waiver, in whole or in part,  
560 of any property tax exemption with respect to such project otherwise  
561 available under subsection (59) or (60) of section 12-81.

562 (d) As used in this section, "bonds" means any bonds, including  
563 refunding bonds, notes, temporary notes, interim certificates,  
564 debentures or other obligations; "legislative body" has the meaning  
565 provided in subsection (y) of section 32-222; and "municipality" means

566 a town, city, consolidated town or city or consolidated town and  
567 borough.

568 (e) For purposes of this section, references to the Connecticut  
569 Development Authority shall include any subsidiary of the  
570 Connecticut Development Authority established pursuant to  
571 subsection (l) of section 32-11a, and a municipality may act by and  
572 through its implementing agency, as defined in subsection (k) of  
573 section 32-222.

574 [(f) No commitments for new projects shall be approved by the  
575 authority under this section on or after July 1, 2008.]

576 [(g)] (f) In the case of a remediation project, as defined in subsection  
577 (ii) of section 32-23d, that involves buildings that are vacant,  
578 underutilized or in deteriorating condition and as to which municipal  
579 real property taxes are delinquent, in whole or in part, for more than  
580 one fiscal year, the amount determined in accordance with subdivision  
581 (1) of subsection (b) of this section may, if the resolution of the  
582 municipality so provides, be established at an amount less than the  
583 amount so determined, but not less than the amount of municipal  
584 property taxes actually paid during the most recently completed fiscal  
585 year. If the Connecticut Development Authority issues bonds for the  
586 remediation project, the amount established in the resolution shall be  
587 used for all purposes of subsection (a) of this section.

588 Sec. 11. Section 12-217ii of the general statutes is repealed and the  
589 following is substituted in lieu thereof (*Effective July 1, 2007, and*  
590 *applicable to income years commencing on or after January 1, 2007*):

591 (a) As used in this section:

592 (1) "Commissioner" means the Commissioner of Economic and  
593 Community Development;

594 [(2) "Relocation to Connecticut" or "relocation" means the taxpayer  
595 creating the new job shall not have been conducting business in

596 Connecticut prior to the taxpayer's application to the commissioner for  
597 an eligibility certificate under this section;]

598 [(3)] (2) "Income year" means, with respect to entities subject to the  
599 insurance premiums tax under chapter 207, the corporation business  
600 tax under this chapter or the utilities company tax under chapter 212,  
601 the income year as determined under each of said chapters, as the case  
602 may be;

603 [(4)] (3) "Taxpayer" means a person subject to tax under chapter 207,  
604 this chapter or chapter 212; [who was not conducting business in  
605 Connecticut prior to relocation to Connecticut;]

606 [(5)] (4) "New job" means a full-time job which (A) did not exist in  
607 this state prior to a taxpayer's application to the commissioner for an  
608 eligibility certificate under this section for a job creation credit, and (B)  
609 is filled by a new employee;

610 [(6)] (5) "New employee" means a person hired by the taxpayer to  
611 fill a new full-time job. A new employee does not include a person  
612 who was employed in Connecticut by a related person with respect to  
613 the taxpayer during the prior twelve months;

614 [(7)] (6) "Full-time job" means a job in which an employee is  
615 required to work at least thirty-five or more hours per week. A full-  
616 time job does not include a temporary or seasonal job;

617 [(8)] (7) "Related person" means (A) a corporation, limited liability  
618 company, partnership, association or trust controlled by the taxpayer,  
619 (B) an individual, corporation, limited liability company, partnership,  
620 association or trust that is in control of the taxpayer, (C) a corporation,  
621 limited liability company, partnership, association or trust controlled  
622 by an individual, corporation, limited liability company, partnership,  
623 association or trust that is in control of the taxpayer, or (D) a member  
624 of the same controlled group as the taxpayer; and

625 [(9)] (8) "Control", with respect to a corporation, means ownership,

626 directly or indirectly, of stock possessing fifty per cent or more of the  
627 total combined voting power of all classes of the stock of such  
628 corporation entitled to vote. "Control", with respect to a trust, means  
629 ownership, directly or indirectly, of fifty per cent or more of the  
630 beneficial interest in the principal or income of such trust. The  
631 ownership of stock in a corporation, of a capital or profits interest in a  
632 partnership, limited liability company or association or of a beneficial  
633 interest in a trust shall be determined in accordance with the rules for  
634 constructive ownership of stock provided in Section 267(c) of the  
635 Internal Revenue Code of 1986, or any subsequent corresponding  
636 internal revenue code of the United States, as from time to time  
637 amended, other than paragraph (3) of said Section 267(c).

638 (b) (1) There is established a jobs creation tax credit program  
639 whereby a taxpayer who creates at least [fifty] ten new jobs [pursuant  
640 to a relocation to] in Connecticut may be allowed a credit against the  
641 tax imposed under chapter 207, this chapter or chapter 212, in an  
642 amount up to [twenty-five] sixty per cent of the income tax deducted  
643 and withheld from the wages of new employees and paid over to the  
644 state pursuant to chapter 229.

645 (2) For each new employee, credits may be granted for five  
646 successive years.

647 (3) The credit shall be claimed in the income year in which it is  
648 earned. Any credits not used in a tax year shall expire.

649 (c) Any taxpayer planning to [relocate to Connecticut and] claim a  
650 credit under the provisions of this section shall apply to the  
651 commissioner in accordance with the provisions of this section. The  
652 application shall be on a form provided by the commissioner, and shall  
653 contain sufficient information concerning the [nature of the relocation,  
654 including a detailed description of the type of business, the] number of  
655 new jobs to be created, feasibility studies or business plans for the  
656 [relocation] increased number of jobs, projected state and local revenue  
657 that might derive as a result of the [relocation] job growth and other

658 information necessary to demonstrate [the financial viability of the  
659 relocation and] that there will be net benefits to the economy of the  
660 municipality and the state. The commissioner shall impose a fee for  
661 such application as the commissioner deems appropriate.

662 (d) The commissioner shall determine whether (1) the taxpayer  
663 making the application is eligible for the tax credit, and (2) the  
664 proposed [relocation] job growth (A) is economically viable only with  
665 use of the tax credit, [and] (B) would provide a net benefit to economic  
666 development and employment opportunities in the state, and (C)  
667 conforms to the state plan of conservation and development prepared  
668 pursuant to section 16a-24. The commissioner may require the  
669 applicant to submit such additional information as may be necessary  
670 to evaluate the application.

671 (e) (1) The commissioner, upon consideration of the application and  
672 any additional information the commissioner requires, [concerning a  
673 proposed relocation,] may approve the credit application, in whole or  
674 in part, if the commissioner concludes that the [relocation] increase in  
675 the number of jobs is economically viable only with the use of the tax  
676 credit and that the revenue generated due to economic development  
677 and employment opportunities created in the state exceeds the credit  
678 and any other credits to be taken. If the commissioner disapproves an  
679 application, the commissioner shall specifically identify the defects in  
680 the application and specifically explain the reasons for the disapproval.  
681 The commissioner shall render a decision on an application not later  
682 than ninety days after the date of its receipt by the commissioner.

683 (2) The total amount of credits granted to all taxpayers shall not  
684 exceed ten million dollars in any one fiscal year.

685 (3) A credit under this section may be granted to a taxpayer for not  
686 more than five successive income years.

687 (4) The commissioner may combine approval of a credit application  
688 with the exercise of any of the commissioner's other powers, including,

689 but not limited to, the provision of other forms of financial assistance.

690 (f) Upon approving a taxpayer's credit application, the  
691 commissioner shall issue a credit allocation notice certifying that the  
692 credits will be available to be claimed by the taxpayer if the taxpayer  
693 otherwise meets the requirements of this section. No later than thirty  
694 days after the close of the taxpayer's income year, the taxpayer shall  
695 provide information to the commissioner regarding the number of new  
696 jobs created for the year and the income tax deducted and withheld  
697 from the wages of such new employees and paid over to the state for  
698 such year. The commissioner shall issue a certificate of eligibility that  
699 includes the taxpayer's name, the number of new jobs created, and the  
700 amount of the credit certified for the year. The certificate shall be  
701 issued by the commissioner sixty days after the close of the taxpayer's  
702 income year or thirty days after the information is provided,  
703 whichever comes first.

704 (g) The commissioner shall, upon request, provide a copy of the  
705 certificate of eligibility issued under subsection (f) of this section to the  
706 Commissioner of Revenue Services.

707 (h) (1) If (A) the number of new employees on account of which a  
708 taxpayer claimed the credit allowed by this section decreases to less  
709 than the number for which the commissioner issued an eligibility  
710 certificate during any of the four years succeeding the first full income  
711 year following the issuance of an eligibility certificate, and (B) those  
712 employees are not replaced by other employees who have not been  
713 shifted from an existing location of the taxpayer or a related person in  
714 this state, the taxpayer shall be required to recapture a percentage of  
715 the credit allowed under this section on its tax return, as determined  
716 under the provisions of subdivision (2) of this subsection. The  
717 commissioner shall provide notice of the required recapture amount to  
718 both the taxpayer and the Commissioner of Revenue Services.

719 (2) If the taxpayer is required under the provisions of subdivision  
720 (1) of this subsection to recapture a portion of the credit during (A) the

721 first of such four years, then ninety per cent of the credit allowed shall  
722 be recaptured on the tax return required to be filed for such year, (B)  
723 the second of such four years, then sixty-five per cent of the credit  
724 allowed for the entire period of eligibility shall be recaptured on the  
725 tax return required to be filed for such year, (C) the third of such four  
726 years, then fifty per cent of the credit allowed for the entire period of  
727 eligibility shall be recaptured on the tax return required to be filed for  
728 such year, (D) the fourth of such four years, then thirty per cent of the  
729 credit allowed for the entire period of eligibility shall be recaptured on  
730 the tax return required to be filed for such year.

731       Sec. 12. (*Effective July 1, 2007*) (a) For the purposes described in  
732 subsection (b) of this section, the State Bond Commission shall have  
733 the power, from time to time, to authorize the issuance of bonds of the  
734 state in one or more series and in principal amounts not exceeding in  
735 the aggregate fifteen million dollars.

736       (b) The proceeds of the sale of said bonds, to the extent of the  
737 amount stated in subsection (a) of this section, shall be used by  
738 Connecticut Innovations, Incorporated, for its corporate purposes as  
739 set forth in section 32-39 of the general statutes to support the  
740 programs of Connecticut Innovations, Incorporated, described in  
741 sections 32-41b to 32-41u, inclusive, of the general statutes, provided  
742 an amount not exceeding one million five hundred thousand dollars  
743 shall be used by the Department of Education for a mobile learning  
744 laboratory for bioscience.

745       (c) All provisions of section 3-20 of the general statutes, or the  
746 exercise of any right or power granted thereby, which are not  
747 inconsistent with the provisions of this section are hereby adopted and  
748 shall apply to all bonds authorized by the State Bond Commission  
749 pursuant to this section, and temporary notes in anticipation of the  
750 money to be derived from the sale of any such bonds so authorized  
751 may be issued in accordance with said section 3-20 and from time to  
752 time renewed. Such bonds shall mature at such time or times not



753 exceeding twenty years from their respective dates as may be provided  
754 in or pursuant to the resolution or resolutions of the State Bond  
755 Commission authorizing such bonds. None of said bonds shall be  
756 authorized except upon a finding by the State Bond Commission that  
757 there has been filed with it a request for such authorization which is  
758 signed by or on behalf of the Secretary of the Office of Policy and  
759 Management and states such terms and conditions as said commission,  
760 in its discretion, may require. Said bonds issued pursuant to this  
761 section shall be general obligations of the state and the full faith and  
762 credit of the state of Connecticut are pledged for the payment of the  
763 principal of and interest on said bonds as the same become due, and  
764 accordingly and as part of the contract of the state with the holders of  
765 said bonds, appropriation of all amounts necessary for punctual  
766 payment of such principal and interest is hereby made, and the State  
767 Treasurer shall pay such principal and interest as the same become  
768 due.

769 Sec. 13. Section 32-41v of the general statutes is repealed and the  
770 following is substituted in lieu thereof (*Effective from passage*):

771 (a) As used in this section:

772 (1) "Corporation" means Connecticut Innovations, Incorporated; and

773 (2) "Fund" means the Connecticut New Opportunities Fund.

774 (b) Connecticut Innovations, Incorporated shall establish a fund to  
775 be known as the Connecticut New Opportunities Fund, for the  
776 purpose of investing in seed stage and emerging growth companies in  
777 the state. The corporation, or a subsidiary created by the corporation  
778 for the purposes of this section, pursuant to subsection (g) of this  
779 section, shall serve as general partner or managing member of the fund  
780 and shall determine whether the fund should be organized as a limited  
781 partnership or a limited liability company. The general partner or  
782 managing member of the fund shall be reimbursed from the fund for  
783 its management costs, which shall not exceed two per cent, annually,

784 of the committed capital of the fund.

785 (c) The total committed capital of the fund shall not be less than  
786 fifteen million dollars.

787 ~~[(c)]~~ (d) Investors in the fund may include pension funds,  
788 foundations and private entities or other institutional investors. Such  
789 investors shall participate as limited partners or nonmanaging  
790 members of the fund. [The committed capital of the fund shall not  
791 exceed fifty million dollars.]

792 [(d) The moneys in the fund shall be invested as follows: (1)] ~~(e)~~ Not  
793 more than twenty-five per cent of the moneys in the fund shall be  
794 invested in seed stage companies, [, and (2) not more than seventy-five  
795 per cent in not more than twenty emerging growth companies.] Not  
796 more than [three million dollars] ten per cent of the fund's capital shall  
797 be invested in any single [seed stage or emerging growth] company.  
798 Fund investments shall be in the form of equity or similar instruments.  
799 [An emerging growth company may be eligible for an investment if  
800 the company projects high growth, has a strong management team, has  
801 current and prospective customers, has had difficulty raising early  
802 stage venture capital and is a strong market driver but is facing entry  
803 barriers.]

804 ~~[(e)]~~ (f) The fund shall [have a term of ten years, provided it may be  
805 extended for three one-year periods if necessary to complete  
806 liquidation of the fund's investments. Upon such liquidation, each  
807 investor shall be entitled to a return of the investment made, plus  
808 eighty per cent of all net realized gains of the fund. The state shall  
809 provide a first loss guarantee at the end of the tenth year, if needed, of  
810 not more than twenty-five million dollars. The state shall be entitled to  
811 ten per cent of all net realized gains of the fund and the general partner  
812 or managing member of the fund shall also be entitled to ten per cent  
813 of all such net realized gains] be subject to any terms and conditions  
814 pursuant to this section and otherwise, as may be determined by the  
815 corporation to be necessary and appropriate to achieve.

816 (g) A subsidiary created by the corporation for purposes of this  
817 section may be formed as a nonstock corporation or a limited liability  
818 company and shall be deemed a quasi-public agency for purposes of  
819 chapter 12. The corporation may, as it deems necessary, (1) transfer to  
820 such subsidiary any money or real or personal property, and (2)  
821 provide services and support to such subsidiary. Such subsidiary shall  
822 act in furtherance of the public purposes of the corporation and shall  
823 have all the privileges, immunities, tax exemptions and other  
824 exemptions of the corporation. In connection with the formation,  
825 administration and operation of the Connecticut New Opportunities  
826 Fund, the corporation and such subsidiary shall have and may exercise  
827 all of the powers set forth in section 32-39.

828 Sec. 14. Section 32-41w of the general statutes is repealed and the  
829 following is substituted in lieu thereof (*Effective July 1, 2007*):

830 (a) There is established an early-stage venture capital program to be  
831 administered by Connecticut Innovations, Incorporated, to provide  
832 preseed financing, seed financing, start-up financing, early or first-  
833 stage financing and expansion financing to companies in the state.

834 (b) In support of the program established in subsection (a) of this  
835 section, the corporation shall establish criteria for awarding such  
836 financing and shall develop and implement a plan to market the  
837 program.

838 (c) The board of the corporation shall review and approve each  
839 application for such financing.

840 (d) Funds provided for this section shall be allocated as follows: (1)  
841 Not less than five per cent for preseed financing except that such  
842 percentage may be reduced to zero if the executive director of  
843 Connecticut Innovations, Incorporated determines that comparable  
844 investment is being achieved through the operations of the New  
845 Opportunities Fund, established pursuant to section 32-41v, as  
846 amended by this act; (2) not less than ten per cent for seed financing;

847 (3) not less than ten per cent for start-up financing; (4) not less than  
848 fifteen per cent for early or first stage financing; and (5) not less than  
849 forty per cent and not more than sixty per cent on expansion financing,  
850 as such terms are defined in section 32-34. The corporation shall use  
851 not more than three per cent of such funds for administration and  
852 marketing of such financial aid.

853 (e) The corporation shall adopt procedures, pursuant to section 1-  
854 121, to implement the provisions of this section.

855 Sec. 15. Section 32-237 of the general statutes is repealed and the  
856 following is substituted in lieu thereof (*Effective October 1, 2008*):

857 (a) The Connecticut Center for Advanced Technology shall establish  
858 a center for supply chain integration to assist at risk small and  
859 medium-sized manufacturers in the state that are suppliers for defense  
860 manufacturers, to adopt the digital technology and business practices  
861 needed to fully participate in the next generation defense supply base.  
862 The center shall provide technical and business assistance and training  
863 to help such suppliers (1) adopt the state-of-the-market digital  
864 manufacturing and information technologies and best business  
865 practices and techniques, and (2) eliminate waste caused by poor  
866 information flow and counterproductive business practices across  
867 multiple buyer and supplier relationships. The center shall work with  
868 other state and national resources to help suppliers that are  
869 transitioning from a commodity-oriented business model into a value-  
870 added technology-based model of component and service integration.  
871 The center shall carry out the purposes of this section by providing  
872 training, on-site assistance and facilities and equipment for suppliers.

873 (b) The center for supply chain integration established pursuant to  
874 subsection (a) of this section, shall make its services available to assist  
875 small and medium-sized manufacturers in the state. The center shall  
876 provide the same services to such manufacturers to promote supply  
877 chain development, as described in subsection (a) of this section.

878 Sec. 16. Section 32-75a of the general statutes is repealed and the  
879 following is substituted in lieu thereof (*Effective from passage*):

880 (a) A municipality which has an enterprise zone designated under  
881 section 32-70 and [an abandoned or underutilized] a railroad depot  
882 that is abandoned or underutilized, an airport or a water port, which is  
883 located outside of the enterprise zone may, with the approval of the  
884 Commissioner of Economic and Community Development, designate  
885 the property on which such (1) railroad depot is located and the  
886 properties adjacent to such property as a railroad depot zone; (2)  
887 airport is located and, subject to local zoning regulations, the  
888 properties adjacent to such property as an air transit zone; or (3) water  
889 port is located and, subject to local zoning regulations, the properties  
890 adjacent to such property as a water transit zone. Businesses located  
891 within a railroad depot, air transit or water transit zone shall be  
892 entitled to the same benefits, subject to the same conditions, under the  
893 general statutes for which businesses located in an enterprise zone  
894 qualify. The commissioner shall adopt regulations, in accordance with  
895 the provisions of chapter 54, which [(1)] (A) further define the [term]  
896 terms "railroad depot" and "water port" for the purposes of this  
897 section, [(2)] (B) establish an application procedure for municipalities  
898 seeking the approval of the commissioner for railroad depot, air transit  
899 or water transit zone designations, and [(3)] (C) establish criteria for  
900 the issuance by the commissioner of approvals for such designations.

901 (b) Upon receipt of an application by a municipality for a railroad  
902 depot, air transit or water transit zone designation, the commissioner  
903 shall notify the chief elected official of each adjoining municipality  
904 having a boundary not more than five hundred feet from the boundary  
905 of the application. Such notice shall be made by certified mail, return  
906 receipt requested, not more than seven days after receipt of the  
907 application. The commissioner shall conduct a public hearing on the  
908 application if any chief elected official receiving a notice under this  
909 section submits a request to the commissioner for a public hearing not  
910 more than seven days after receipt of the notice.

911       Sec. 17. (*Effective October 1, 2007*) (a) The Department of Economic  
912       and Community Development, in consultation with the Department of  
913       Transportation, shall conduct, within available appropriations, a study  
914       of the governance, control and management of Bradley International  
915       Airport and its role, and, where applicable, other Connecticut airports'  
916       roles in fostering airport-driven economic development strategies and  
917       marketing across the state. Such study shall review national and  
918       international trends, including, but not limited to, airports located in  
919       comparable markets to:

920       (1) Assess potential economic development and job creation  
921       strategies where proximity to, or dependence on, Bradley International  
922       Airport could be a significant advantage;

923       (2) Identify and assess conditions affecting Bradley International  
924       Airport including, but not limited to, comparable administrative  
925       structures, transportation resources and regional airport competition,  
926       local taxing policies, municipal or state regulations, municipal  
927       economic development programs, inter-town cooperation, state agency  
928       cooperation, and other existing legal and institutional barriers that  
929       serve to enhance or constrain the state's ability to maximize Bradley  
930       International Airport as a resource for economic growth;

931       (3) Assess and compare, and determine the interrelationship of,  
932       Bradley International Airport's marketing programs, economic impact  
933       on the state and local economy, master plan, and operational,  
934       governance and organizational structures with such programs,  
935       economic impacts, plans and structures in other comparable airport  
936       markets;

937       (4) Identify options for the reorganization of Bradley International  
938       Airport based on various airport management models applied by  
939       comparable airports and address in such options: (A) Strategies for  
940       developing a mission for Bradley International Airport that is  
941       consistent with the state's interest in fostering job growth, economic  
942       development and competitiveness; (B) potential benchmarks to

943 measure Bradley International Airport's progress toward meeting its  
944 mission, and its growth, sustainability and competitiveness in the  
945 airline industry; (C) potential response by the airline market to such  
946 options; (D) strategies for preserving job classes and collective  
947 bargaining agreements in any restructure; (E) an assessment of airport  
948 use and services contracting methods and recommendations for  
949 changing or preserving such methods; (F) strategies for instituting an  
950 economic development plan and improving and coordinating Bradley  
951 International Airport's master plan and marketing programs to such  
952 economic development plan; and (G) based on consultations with the  
953 Bradley International Airport Board of Directors, one or more regional  
954 planning organizations serving municipalities in or around Bradley  
955 International Airport, the Bradley International Community Advisory  
956 Board established pursuant to subdivision (c) of section 15-101pp of  
957 the general statutes, and other local or regional organizations as  
958 deemed necessary by the Commissioner of Economic and Community  
959 Development, an assessment of the composition of Bradley  
960 International Airport's decision-making structures and identify  
961 strategies for improving such structures while ensuring continuity  
962 from existing decision-making structures to any other structures that  
963 may be recommended;

964 (5) Where feasible, provide a cost-benefit comparison of Bradley  
965 International Airport's existing financial position with any such  
966 recommended options; and

967 (6) Assess the complementary role that other Connecticut public use  
968 airports could play in driving economic development and increasing  
969 the state's economic competitiveness in the region and internationally.

970 (b) On or before January 15, 2008, the commissioner shall report the  
971 preliminary findings and recommendations of such study, and on or  
972 before February 15, 2008, the final findings and recommendations of  
973 such study, in accordance with the provisions of section 11-4a of the  
974 general statutes, to the Governor and to the joint standing committees

975 of the General Assembly having cognizance of matters relating to  
976 commerce and transportation.

977       Sec. 18. (NEW) (*Effective from passage and applicable to income years*  
978 *commencing on or after January 1, 2008*): (a) As used in this section, the  
979 following terms shall have the following meanings unless the context  
980 clearly indicates another meaning:

981       (1) "Commission" means the Connecticut Commission on Culture  
982 and Tourism established pursuant to section 10-392 of the general  
983 statutes;

984       (2) "Certified historic structure" means an historic commercial or  
985 industrial property that: (A) Is listed individually on the National or  
986 State Register of Historic Places, or (B) is located in a district listed on  
987 the National or State Register of Historic Places, and has been certified  
988 by the commission as contributing to the historic character of such  
989 district;

990       (3) "Certified rehabilitation" means any rehabilitation of a certified  
991 historic structure for mixed residential and nonresidential uses  
992 consistent with the historic character of such property or the district in  
993 which the property is located as determined by regulations adopted by  
994 the commission;

995       (4) "Owner" means any person, firm, limited liability company,  
996 nonprofit or for-profit corporation or other business entity which  
997 possesses title to an historic structure and undertakes the rehabilitation  
998 of such structure;

999       (5) "Placed in service" means that substantial rehabilitation work has  
1000 been completed which would allow for issuance of a certificate of  
1001 occupancy for the entire building or, in projects completed in phases,  
1002 for individual residential units that are an identifiable portion of the  
1003 building;

1004       (6) "Qualified rehabilitation expenditures" means any costs incurred



1005 for the physical construction involved in the rehabilitation of a  
1006 certified historic structure for mixed residential and nonresidential  
1007 uses where at least thirty-three per cent of the total square footage of  
1008 the rehabilitation is placed into service for residential use, excluding:  
1009 (A) The owner's personal labor, (B) the cost of a new addition, except  
1010 as required to comply with any provision of the State Building Code or  
1011 the State Fire Safety Code, and (C) any nonconstruction cost such as  
1012 architectural fees, legal fees and financing fees;

1013 (7) "Rehabilitation plan" means any construction plans and  
1014 specifications for the proposed rehabilitation of a certified historic  
1015 structure in sufficient detail for evaluation by compliance with the  
1016 standards developed under the provisions of subsections (b) to (d),  
1017 inclusive, of this section; and

1018 (8) "Substantial rehabilitation" or "substantially rehabilitate" means  
1019 the qualified rehabilitation expenditures of a certified historic structure  
1020 that exceed twenty-five per cent of the assessed value of such  
1021 structure.

1022 (b) (1) The commission shall administer a system of tax credit  
1023 vouchers within the resources, requirements and purposes of this  
1024 section for owners rehabilitating certified historic structures.

1025 (2) The credit authorized by this section shall be available in the tax  
1026 year in which the substantially rehabilitated certified historic structure  
1027 is placed in service. In the case of projects completed in phases, the tax  
1028 credit shall be prorated to the substantially rehabilitated identifiable  
1029 portion of the building placed in service. If the tax credit is more than  
1030 the amount owed by the taxpayer for the year in which the  
1031 substantially rehabilitated certified historic structure is placed in  
1032 service, the amount that is more than the taxpayer's tax liability may be  
1033 carried forward and credited against the taxes imposed for the  
1034 succeeding five years or until the full credit is used, whichever occurs  
1035 first.

1036 (3) Any credits allowed under this section that are provided to  
1037 multiple owners of certified historic structures shall be passed through  
1038 to persons designated as partners, members or owners, pro rata or  
1039 pursuant to an agreement among such persons designated as partners,  
1040 members or owners documenting an alternative distribution method  
1041 without regard to other tax or economic attributes of such entity. Any  
1042 owner entitled to a credit under this section may assign, transfer or  
1043 convey the credits, in whole or in part, by sale or otherwise to any  
1044 individual or entity and such transferee shall be entitled to offset the  
1045 tax imposed under chapter 207, 208, 209, 210, 211 or 212 of the general  
1046 statutes as if such transferee had incurred the qualified rehabilitation  
1047 expenditure.

1048 (c) The commission shall develop standards for the approval of  
1049 rehabilitation of certified historic structures for which a tax credit  
1050 voucher is sought. Such standards shall take into account whether the  
1051 rehabilitation of a certified historic structure will preserve the historic  
1052 character of the building.

1053 (d) The commission may adopt regulations, in accordance with  
1054 chapter 54 of the general statutes, to carry out the purposes of this  
1055 section. Such regulations shall include provisions for filing of  
1056 applications, rating criteria and for timely approval by the  
1057 commission.

1058 (e) Prior to beginning any rehabilitation work on a certified historic  
1059 structure, the owner shall submit (1) a rehabilitation plan to the  
1060 commission for a determination of whether or not such rehabilitation  
1061 work meets the standards developed under the provisions of  
1062 subsections (b) to (d), inclusive, of this section, (2) an estimate of the  
1063 qualified rehabilitation expenditures, (3) the number of units of  
1064 affordable housing, as defined in section 8-39a of the general statutes,  
1065 to be created, (4) the proposed rents or sale prices of such units, and (5)  
1066 the median income for the municipality where the project is located.  
1067 The owner shall submit a copy of data required under subdivision (3)

1068 of this subsection to the Department of Economic and Community  
1069 Development.

1070 (f) If the commission certifies that the rehabilitation plan conforms  
1071 to the standards developed under the provisions of subsections (b) to  
1072 (d), inclusive, of this section, the commission shall reserve for the  
1073 benefit of the owner an allocation for a tax credit equivalent to ten per  
1074 cent of the aggregate amount of tax credits reserved under section 20  
1075 of this act if (1) at least twenty per cent of the units are rental units and  
1076 qualify as affordable housing, as defined in section 8-39a of the general  
1077 statutes, or (2) at least ten per cent of the units are individual  
1078 homeownership units and qualify as affordable housing, as defined in  
1079 said section 8-39a. No tax credit shall be allocated for the purposes of  
1080 this subdivision unless an applicant has submitted to the commission a  
1081 certificate from the Department of Economic and Community  
1082 Development pursuant to section 22 of this act confirming that the  
1083 project complies with affordable housing requirements under said  
1084 section 8-39a.

1085 (g) Following the completion of rehabilitation of a certified historic  
1086 structure, the owner shall notify the commission that such  
1087 rehabilitation has been completed. The owner shall provide the  
1088 commission with documentation of work performed on the certified  
1089 historic structure and shall submit certification of the costs incurred in  
1090 rehabilitating the certified historic structure. The commission shall  
1091 review such rehabilitation and verify its compliance with the  
1092 rehabilitation plan. Following such verification, the commission shall  
1093 issue a tax credit voucher to the owner rehabilitating the certified  
1094 historic structure or to the taxpayer named by the owner as  
1095 contributing to the rehabilitation. The tax credit voucher shall be in an  
1096 amount equivalent to the lesser of the tax credit reserved upon  
1097 certification of the rehabilitation plan under the provisions of  
1098 subsection (f) of this section or ten per cent of the aggregate amount of  
1099 tax credits reserved under section 20 of this act. In order to obtain a  
1100 credit against any state tax due that is specified in subsection (h) of this

1101 section, the holder of the tax credit voucher shall file the voucher with  
1102 the holder's state tax return.

1103 (h) The Commissioner of Revenue Services shall grant a tax credit to  
1104 a taxpayer holding the tax credit voucher issued under subsections (e)  
1105 to (i), inclusive, of this section against any tax due under chapter 207,  
1106 208, 209, 210, 211 or 212 of the general statutes in the amount specified  
1107 in the tax credit voucher. Such taxpayer shall submit the voucher and  
1108 the corresponding tax return to the Department of Revenue Services.

1109 (i) The commission may charge an application fee in an amount not  
1110 to exceed ten thousand dollars to cover the cost of administering the  
1111 program established pursuant to this section.

1112 Sec. 19. (NEW) (*Effective from passage and applicable to income years*  
1113 *commencing on and after January 1, 2008*) The aggregate amount of all tax  
1114 credits which may be reserved by the Commission on Culture and  
1115 Tourism upon certification of rehabilitation plans under section 19 of  
1116 this act shall not exceed fifty million dollars for the fiscal three-year  
1117 period beginning July 1, 2008, and ending June 30, 2011, inclusive, and  
1118 each fiscal three-year period thereafter. No project may receive tax  
1119 credits in an amount exceeding ten per cent of such aggregate amount.

1120 Sec. 20. (NEW) (*Effective from passage*) On or before October 1, 2009,  
1121 and annually thereafter, the Commission on Culture and Tourism shall  
1122 report the total amount of historic preservation tax credits and  
1123 affordable housing tax credits reserved for the previous fiscal year  
1124 under section 19 of this act, to the joint standing committees of the  
1125 General Assembly having cognizance of matters relating to commerce  
1126 and to finance, revenue and bonding. Each such report shall include  
1127 the following information for each project for which tax credit has been  
1128 reserved: (1) The total project costs, (2) the value of the tax credit  
1129 reservation for the purpose of historic preservation, (3) a statement  
1130 whether the reservation is for mixed-use and if so, the proportion of  
1131 the project that is not residential, and (4) the number of residential  
1132 units to be created, and, for affordable housing reservations, the value

1133 of the reservation and percentage of residential units that will qualify  
1134 as affordable housing, as defined in section 8-39a of the general  
1135 statutes.

1136 (b) (1) If the total amount of such tax credits reserved in the first  
1137 fiscal year of a fiscal three-year period is more than sixty-five per cent  
1138 of the aggregate amount of tax credits reserved under section 19 of this  
1139 act, then no additional reservation shall be allowed for the second  
1140 fiscal year of such fiscal three-year period unless the joint standing  
1141 committees of the General Assembly having cognizance of matters  
1142 relating to commerce and to finance, revenue and bonding each vote  
1143 separately to authorize continuance of tax credit reservations under  
1144 the program.

1145 (2) If the total amount of such credits reserved in the second year of  
1146 a fiscal three-year period exceeds ninety per cent of the aggregate  
1147 amount of tax credits reserved under section 19 of this act, then no  
1148 additional reservation shall be allowed for the third fiscal year of such  
1149 fiscal three-year period unless the joint standing committees of the  
1150 General Assembly having cognizance of matters relating to commerce  
1151 and to finance, revenue and bonding each vote separately to authorize  
1152 the continuance of tax credit reservations under the program.

1153 (3) Any tax credit reservations issued before a suspension of  
1154 additional tax credit reservations under subdivisions (1) and (2) of the  
1155 subsection shall remain in place.

1156 Sec. 21. (NEW) (*Effective July 1, 2007*) (a) The Commissioner of  
1157 Economic and Community Development shall review applications for  
1158 affordable housing tax credits submitted pursuant to subsection (e) of  
1159 section 19 of this act. Upon determination that an application contains  
1160 affordable housing as required by said section the commissioner shall  
1161 issue a certificate to that effect. The commissioner shall monitor  
1162 projects certified under this section to ensure that the affordable  
1163 housing units are maintained as affordable for a minimum of ten years  
1164 and may require deed restrictions or other fiscal mechanisms designed

1165 to ensure compliance with project requirements. The commissioner  
1166 may impose a fee in an amount not exceeding two thousand dollars to  
1167 cover the cost of reviewing applications and monitoring projects that  
1168 qualify for affordable housing tax credits pursuant to section 19 of this  
1169 act.

1170 (b) The Commissioner of Economic and Community Development,  
1171 in consultation with the Commission on Culture and Tourism, may  
1172 adopt regulations, pursuant to chapter 54 of the general statutes, for  
1173 monitoring of projects that qualify for affordable housing tax credits  
1174 pursuant to section 19 of this act, by the Department of Economic and  
1175 Community Development, or by local housing authorities,  
1176 municipalities, other public agencies or quasi-public agencies, as  
1177 defined in section 1-120 of the general statutes, designated by the  
1178 department. Such regulations shall include provisions for ensuring  
1179 that affordable units developed under subdivision (3) of subsection (e)  
1180 of section 19 of this act, are maintained as affordable for a minimum of  
1181 ten years and may require deed restrictions or other fiscal mechanisms  
1182 designed to ensure compliance with project requirements.

1183 Sec. 22. Subsection (c) of section 4-66c of the general statutes is  
1184 repealed and the following is substituted in lieu thereof (*Effective July*  
1185 *1, 2007*):

1186 (c) Any proceeds from the sale of bonds authorized pursuant to  
1187 subsections (a) and (b) of this section or of temporary notes issued in  
1188 anticipation of the moneys to be derived from the sale of such bonds  
1189 may be used to fund (1) grants-in-aid to municipalities, or an  
1190 intermediary designated by a municipality receiving a grant-in-aid,  
1191 provided such intermediary invests such funds consistent with and  
1192 toward qualifying for the federal new markets tax credits under 26  
1193 USC 45D, as amended from time to time, or (2) the grant-in-aid  
1194 programs of said departments, including, but not limited to, financial  
1195 assistance and expenses authorized under chapters 128, 129, 130, 133,  
1196 136 and 298, and section 16a-40a, provided any such program shall be

1197 implemented in an eligible municipality or is for projects in other  
1198 municipalities which the State Bond Commission determines will help  
1199 to meet the goals set forth in section 4-66b. For the purposes of this  
1200 section, "eligible municipality" means a municipality which is  
1201 economically distressed within the meaning of subsection (b) of section  
1202 32-9p, which is classified as an urban center in any plan adopted by the  
1203 General Assembly pursuant to section 16a-30, which is classified as a  
1204 public investment community within the meaning of subdivision (9) of  
1205 subsection (a) of section 7-545, or in which the State Bond Commission  
1206 determines that the project in question will help meet the goals set  
1207 forth in section 4-66b. Notwithstanding the provisions of this  
1208 subsection, proceeds from the sale of bonds pursuant to this section  
1209 may, with the approval of the State Bond Commission, be used for  
1210 transit-oriented development projects, as defined in section 13b-79o, in  
1211 any municipality.

1212       Sec. 23. (NEW) (*Effective July 1, 2007*) (a) The Labor Department,  
1213 within available appropriations, shall establish a program to distribute  
1214 youth employment and training funds to regional workforce  
1215 development boards.

1216       (b) Funds provided for this section shall be allocated as follows: (1)  
1217 Twenty-five per cent to Capitol Workforce Partners; (2) twenty per  
1218 cent to The Workforce Alliance; (3) twenty per cent to The Workplace,  
1219 Inc.; (4) seventeen and five-tenths per cent to the Northwest Regional  
1220 Workforce Investment Board, Inc; and (5) seventeen and five-tenths  
1221 per cent to the Eastern Connecticut Workforce Investment Board.

1222       (c) Each workforce development board shall allocate funds received  
1223 pursuant to subsection (b) of this section as follows: (1) At least  
1224 seventy-five per cent to one or more distressed municipalities, as  
1225 defined in subsection (b) of section 32-9p of the general statutes,  
1226 located in such board's region, and (2) twenty-five per cent to other  
1227 municipalities in its region. Each board may set aside up to twenty-five  
1228 per cent of the amount allocated pursuant to this subsection, or any

1229 other available funds for summer youth employment programs in the  
1230 municipalities in such board's region, for year-round workforce  
1231 development programs for youths fourteen to nineteen years of age  
1232 who meet family income requirements, as documented by  
1233 participation in school nutrition programs.

1234       Sec. 24. (NEW) (*Effective July 1, 2007*) The Office of Workforce  
1235 Competitiveness, within available appropriations, shall establish pilot  
1236 jobs funnel programs to assist municipalities in developing, and  
1237 facilitating and monitoring compliance with, local ordinances  
1238 pertaining to the percentage of local residents and qualified members  
1239 of minorities, as defined in section 32-9n of the general statutes, hired  
1240 for construction and related jobs paid for in part or in whole by state  
1241 funds. In establishing such programs, the office shall give priority to  
1242 municipalities with a population in excess of one hundred thousand  
1243 residents.

1244       Sec. 25. Section 10-21g of the general statutes is repealed and the  
1245 following is substituted in lieu thereof (*Effective July 1, 2007*):

1246       (a) The Department of Education shall establish, within available  
1247 appropriations, a "Generation Next" [pilot] program to provide  
1248 industry-based job shadowing and internship experiences to high  
1249 school students and externship experiences to teachers in the public  
1250 schools, including the regional vocational-technical schools. The  
1251 Commissioner of Education, for purposes of the program, may award  
1252 grants to local and regional boards of education, regional vocational-  
1253 technical schools or state-wide or local business associations, in  
1254 partnership with such boards of education or schools, for  
1255 demonstration projects. Boards of education, vocational-technical  
1256 schools or business associations seeking to participate in the pilot  
1257 program shall apply to the department at such time and in such form  
1258 as the commissioner prescribes. The commissioner shall select a  
1259 diverse group of participants based on the population, geographic  
1260 location and economic characteristics of the school district or school.



1261 Local and regional boards of education, regional vocational-technical  
1262 schools or business associations awarded grants under the program  
1263 shall use grant funds for developing and implementing a coordinated  
1264 high school level teacher externship and student job shadowing and  
1265 internship program with science or mathematics or with technology  
1266 intensive businesses in the state.

1267 (b) On or before January 1, 2009, and annually thereafter, the  
1268 commissioner shall report to the joint standing committee of the  
1269 General Assembly having cognizance of matters relating to higher  
1270 education and employment advancement on the number of  
1271 externships and job shadowing experiences and the nature of the  
1272 businesses participating in such experiences.

1273 Sec. 26. Section 10-19e of the general statutes is repealed and the  
1274 following is substituted in lieu thereof (*Effective from passage*):

1275 (a) The Department of Education shall establish, within available  
1276 appropriations, a "Future Scholars" [pilot] matching grant program for  
1277 public schools participating in externally funded programs that  
1278 provide supplemental mathematics and science programming and  
1279 instruction to students in grades eight to ten, inclusive, who scored  
1280 [above] at the level of basic [and below the level of proficiency] on the  
1281 mastery examinations given during the previous year in accordance  
1282 with the provisions of section 10-14n. The Commissioner of Education,  
1283 for purposes of the program, may award grants to local and regional  
1284 boards of education and regional vocational-technical schools for  
1285 demonstration projects. Boards of education and vocational-technical  
1286 schools seeking to participate in the pilot program shall apply to the  
1287 department at such time and in such form as the commissioner  
1288 prescribes. The commissioner shall select participants based on the  
1289 quality of proposed programs and evidence of commitment by  
1290 businesses supporting the project. Local and regional boards of  
1291 education and regional vocational-technical schools awarded grants  
1292 under the program shall use grant funds for development and

1293 implementation of an interdisciplinary mathematics, science and  
1294 technology curriculum, including the establishment and staffing of  
1295 mathematics and science laboratories, in middle and high schools that  
1296 have demonstrated support and involvement by local or state-wide  
1297 mathematics, science or technology intensive businesses in the state.

1298 (b) On or before January 1, 2009, and annually thereafter, the  
1299 commissioner shall report to the joint standing committee of the  
1300 General Assembly having cognizance of matters relating to education  
1301 on the number of laboratories established, their location, and the  
1302 number of students who have participated in such programs.

1303 (c) Any unexpended funds appropriated for the purposes of this  
1304 section shall not lapse at the end of the fiscal year but shall be available  
1305 for expenditure during the next fiscal year.

1306 Sec. 27. Section 10a-19e of the general statutes is repealed and the  
1307 following is substituted in lieu thereof (*Effective July 1, 2007*):

1308 (a) There is established an "Engineering Connecticut" loan  
1309 reimbursement grant program, administered by the Department of  
1310 Higher Education, for persons who have graduated from institutions  
1311 of higher education with undergraduate or graduate degrees in  
1312 engineering.

1313 (b) Within available appropriations, the program shall provide  
1314 student loan reimbursement grants for persons who (1) attended any  
1315 institution of higher education, (2) have been awarded an  
1316 undergraduate or graduate degree in engineering, and (3) are newly  
1317 employed in Connecticut on or after January 1, 2006, as engineers.

1318 (c) Persons who qualify under subsection (b) of this section shall be  
1319 reimbursed on an annual basis for qualifying student loan payments in  
1320 amounts as determined by the Commissioner of Higher Education. A  
1321 person qualifying under subsection (b) of this section shall only be  
1322 reimbursed for loan payments made while such person is employed in

1323 the state as an engineer. The Department of Higher Education shall  
1324 develop eligibility requirements for recipients of such reimbursements.  
1325 Such requirements may include income guidelines. Persons may apply  
1326 for grants to the Department of Higher Education at such time and in  
1327 such manner as the Commissioner of Higher Education prescribes.

1328 (d) Any unexpended funds appropriated for purposes of this  
1329 section shall not lapse at the end of the fiscal year but shall be available  
1330 for expenditure during the next fiscal year.

1331 (e) The Department of Higher Education may use up to two per cent  
1332 of the funds appropriated for purposes of this section for program  
1333 administration, promotion and recruitment activities.

1334 (f) On or before January 1, 2009, and annually thereafter, the  
1335 commissioner shall report to the joint standing committee of the  
1336 General Assembly having cognizance of matters relating to higher  
1337 education and employment advancement on the number of graduates  
1338 who have participated in the program and the number of participants  
1339 who graduated from institutions in state and out-of-state.

1340 Sec. 28. Section 10a-19f of the general statutes is repealed and the  
1341 following is substituted in lieu thereof (*Effective July 1, 2007*):

1342 (a) There is established a "You Belong" loan reimbursement grant  
1343 program, administered by the Department of Higher Education, for  
1344 graduates of doctoral programs who are employed in Connecticut in  
1345 economically valuable fields.

1346 (b) Within available appropriations, the program shall provide  
1347 student loan reimbursement grants for persons who (1) have been  
1348 awarded a doctoral degree from any institution of higher education,  
1349 and (2) are newly employed in Connecticut in an economically  
1350 valuable field, as determined by the Department of Economic and  
1351 Community Development, on or after January 1, 2006, by a company  
1352 or an institution of higher education that has registered with or

1353 otherwise been qualified under the program by the Department of  
1354 Economic and Community Development.

1355 (c) Persons who qualify under subsection (b) of this section shall  
1356 receive reimbursement grants on an annual basis for qualifying  
1357 student loan payments in amounts as determined by the  
1358 Commissioner of Higher Education. A person qualifying under  
1359 subsection (b) of this section shall only be reimbursed for loan  
1360 payments made while such person is employed in Connecticut by a  
1361 qualifying company or in research at an institution of higher education  
1362 in an economically valuable field. The Department of Higher  
1363 Education shall develop eligibility requirements for recipients of such  
1364 reimbursement grants in consultation with the Department of  
1365 Economic and Community Development. Such requirements may  
1366 include income guidelines. Persons may apply for grants to the  
1367 Department of Higher Education at such time and in such manner as  
1368 the Commissioner of Higher Education prescribes.

1369 (d) Any unexpended funds appropriated for purposes of this  
1370 section shall not lapse at the end of the fiscal year but shall be available  
1371 for expenditure during the next fiscal year.

1372 (e) The Department of Higher Education may use up to two per cent  
1373 of the funds appropriated for purposes of this section for program  
1374 administration, promotion and recruitment activities.

1375 (f) On or before January 1, 2009, and annually thereafter, the  
1376 commissioner shall report to the joint standing committee of the  
1377 General Assembly having cognizance of matters relating to higher  
1378 education and employment advancement on the number of employees  
1379 who have participated in the program and shall submit a list of  
1380 companies and institutions of higher education employing such  
1381 participants.

1382 Sec. 29. Section 10a-104c of the general statutes is repealed and the  
1383 following is substituted in lieu thereof (*Effective July 1, 2007*):

1384 (a) The Board of Trustees of The University of Connecticut shall  
1385 develop a program to facilitate the recruitment of eminent faculty and  
1386 their research staffs to the university. Such program shall support  
1387 economic development in the state and promote core competency  
1388 areas by accelerating the pace of applied research and development.  
1389 Such program shall supplement the compensation of such faculty and  
1390 related costs of personnel and materials needed to secure such faculty  
1391 for the university. Eligibility shall be limited to scientists who have  
1392 demonstrated excellence in their field of research and have an interest  
1393 in working collaboratively with other scientists at the university and  
1394 an interest in commercialization of their research.

1395 (b) No funds shall be expended under this section unless there are  
1396 matching funds from industry or other sources available for such  
1397 purposes identified in subsection (a) of this section.

1398 (c) Any unexpended funds appropriated for purposes of this section  
1399 shall not lapse at the end of the fiscal year but shall be available for  
1400 expenditure during the next fiscal year.

1401 Sec. 30. Section 10a-125a of the general statutes is repealed and the  
1402 following is substituted in lieu thereof (*Effective July 1, 2007*):

1403 (a) The University of Connecticut shall establish a Center for  
1404 Entrepreneurship. The purpose of the center shall be to train the next  
1405 generation of entrepreneurs in an experiential manner that would  
1406 assist businesses in the state today. This center shall (1) develop an  
1407 entrepreneurial program that trains faculty and student inventors in  
1408 commercialization and business issues and that generates business  
1409 opportunities; (2) expand the accelerator program of the school of  
1410 business to provide innovation services to technology-based  
1411 companies using a proven model of faculty and students working with  
1412 companies on real time solutions to the company's business problems;  
1413 and (3) establish an intellectual property law clinic, in conjunction with  
1414 the law school. The accelerator program and the law clinic shall be  
1415 located with the Connecticut Center for Advanced Technology in the

1416 Hartford area to leverage resources.

1417 (b) Any unexpended funds appropriated for purposes of this section  
 1418 shall not lapse at the end of the fiscal year but shall be available for  
 1419 expenditure during the next fiscal year.

This act shall take effect as follows and shall amend the following sections:		
Section 1	October 1, 2007	4-168(a)
Sec. 2	October 1, 2007	4-168a
Sec. 3	October 1, 2007	4-168b
Sec. 4	October 1, 2007	4-170(b)
Sec. 5	from passage	32-725
Sec. 6	from passage	32-345
Sec. 7	from passage	32-346
Sec. 8	from passage	32-356
Sec. 9	from passage	32-47a
Sec. 10	October 1, 2007	32-23zz
Sec. 11	July 1, 2007, and applicable to income years commencing on or after January 1, 2007	12-217ii
Sec. 12	July 1, 2007	New section
Sec. 13	from passage	32-41v
Sec. 14	July 1, 2007	32-41w
Sec. 15	October 1, 2008	32-237
Sec. 16	from passage	32-75a
Sec. 17	October 1, 2007	New section
Sec. 18	from passage and applicable to income years commencing on or after January 1, 2008	New section
Sec. 19	from passage and applicable to income years commencing on and after January 1, 2008	New section
Sec. 20	from passage	New section
Sec. 21	July 1, 2007	New section
Sec. 22	July 1, 2007	4-66c(c)

Sec. 23	<i>July 1, 2007</i>	New section
Sec. 24	<i>July 1, 2007</i>	New section
Sec. 25	<i>July 1, 2007</i>	10-21g
Sec. 26	<i>from passage</i>	10-19e
Sec. 27	<i>July 1, 2007</i>	10a-19e
Sec. 28	<i>July 1, 2007</i>	10a-19f
Sec. 29	<i>July 1, 2007</i>	10a-104c
Sec. 30	<i>July 1, 2007</i>	10a-125a